

FIRST SET OF DOCUMENT AND INFORMATION REQUESTS OF
THE DEPARTMENT OF COMMUNICATIONS AND ENERGY TO
BOSTON GAS COMPANY, COLONIAL GAS COMPANY AND ESSEX GAS COMPANY
D/B/A KEYSpan ENERGY DELIVERY NEW ENGLAND

D.T.E. 04-62

Respondent: Ann Leary

Information Request DTE 1-44

- Q. Refer to Exhibits KED/EDA-1, KED/AEL-1, KED/AEL-3(a), KED/AEL-3(b), and KED/AEL-3(c). Demonstrate that the proposed increase/decrease in the CGA tariffs will lead to just and reasonable rates for Boston Gas, Colonial, and Essex customers.
- A. The proposed increase/decrease in the CGA tariffs is the result of the realignment of the costs to serve customers and the costs recovered by customers, which will be achieved through the consolidation of the CGA as proposed by the Company. The Company believes that the consolidation of the CGA will result in the establishment of just and reasonable rates for all customers served by KeySpan in Massachusetts. In fact, it is the Company's position that the current configuration of the CGA does not result in just and reasonable rates because it is not consistent with the Department's long-held cost causation principles of ensuring that rates are designed to collect from customers the costs incurred to serve them.